



Certified Business Enterprise Program

Department of Small and Local
Business Development

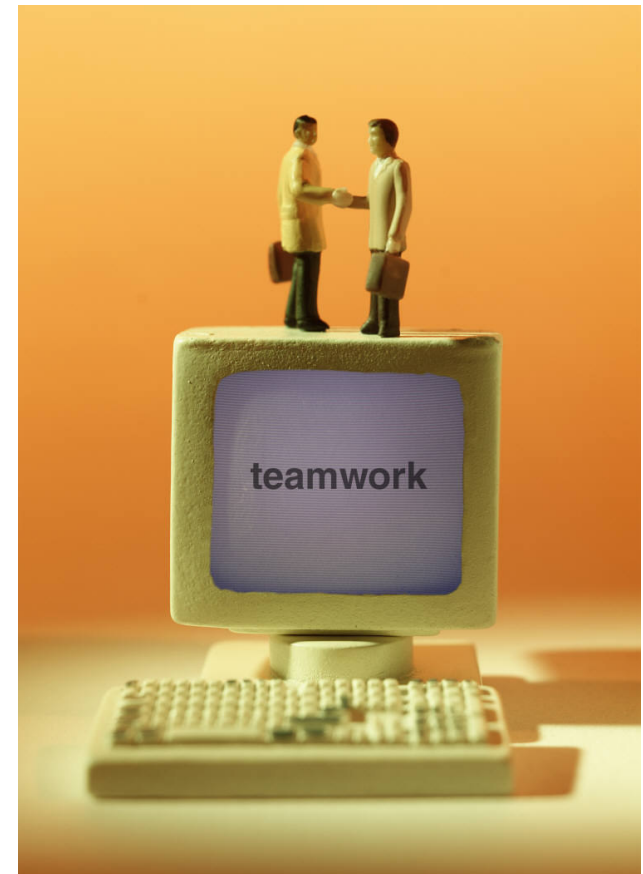


The Department of Small and Local Business Development (DSLBD)

- The Department consists of four divisions:
 - Business Opportunities & Access to Capital Division
 - Commercial Revitalization Division
 - Training and Education Division
 - Certification, Compliance, and Enforcement Division

How the Certified Business Enterprise (CBE) Program Works

- CBE Program works as a collaboration between two entities:
 - DSLBD Certification, Compliance, and Enforcement Division
 - Small and Local Business Opportunity Commission (SLBOC)



DSLBD Certification, Compliance and Enforcement Division

- Responsible for reviewing, processing, approving, or denying applications for certification as a:
 - Local Business Enterprise;
 - Small Business Enterprise;
 - Disadvantaged Business Enterprise;
 - Resident-Owned Business Enterprise;
 - Local Business Enterprise with its principal office located in an Enterprise Zone; or
 - Longtime Resident Business
- Makes weekly certification determinations

DSLBD Certification, Compliance and Enforcement Division

- CBE Certification provides contracting preference for local businesses seeking contracting opportunities with DC Government
- Within the CBE Certification Program, DSLBD also provides local business certifications for the following:
 - Joint Venture Certification
 - Street Vendor Certification

Small and Local Business Opportunity Commission

- Nine-member commission appointed by the Mayor
 - One commissioner is appointed from each of the District's eight wards and One At-Large Member, who serves as Chair.
- Commissioners meet monthly
- Commissioners shall:
 - Hear all requested appeals by business owners denied certification by DSLBD
 - Perform regular audits of the Department's certification process
 - Repeal and suspend the certification of CBEs

Certification Categories & Preference

Businesses may be certified in any of the following categories.

However, 12 is the maximum number of points that can be applied toward any contract award.

- Local Business Enterprise, LBE
 - 2 points or 2% reduction
- Small Business Enterprise, SBE
 - 3 points or 3% reduction
- Disadvantaged Business Enterprise, DBE
 - 2 points or 2% reduction
- Resident-Owned Business, ROB
 - 5 points or 5% reduction
- Enterprise Zone, DZE
 - 2 points or 2% reduction
- Longtime Resident Business, LRB
 - 10 points or 10% reduction

Applying Preference for CBEs

- Preference is applied in all competitive procurement situations
 - Set-aside procurements
 - Open market procurements
- In evaluating requests for bids (RFB), contracting personnel apply a **percentage reduction in price** according to CBE designation
- In evaluating requests for proposals (RFP), contracting personnel **apply points to proposal evaluations** according to CBE designation

Local Business Enterprise Definition

- Principal office physically located in the District
- Chief executive officer and highest level managerial employees maintain their offices and perform their managerial functions in the District
- Meets one of these four criteria:
 - More than 50% of the assets, excluding bank accounts, are located in the District;
 - More than 50% of the employees are residents of the District;
 - The owners of more than 50% of the business enterprise are residents of the District; or
 - More than 50% of the total sales or other revenues are derived from transactions in the District
- Is properly licensed under DC law
- Is subject to DC taxes (income and franchise taxes), or
- Is the type of business identified in D.C. Official Code §47-1808.01 (1) through (5) and more than 50% of the business is owned by District residents

Principal Office Definition

- Primary office based upon the totality of the business activities in which routine and essential business functions occur, such as:
 - Bookkeeping and recordkeeping
 - Payroll maintenance
 - Receipt of business telephone calls
 - Receipt of correspondence
 - Storing of books and records
 - Directing, controlling, and coordinating activities and policies by officers, principals, and managers

Small Business Enterprise Definition

- Is a local business enterprise
- Is independently owned, operated, and controlled
- Is either:
 - Certified by the U.S. Small Business Administration as a small business concern under the Small Business Act; or
 - Has average annualized gross receipts for prior 3 years not exceeding the following limits:

– Construction, Heavy (Street and Highways, Bridges, etc.)	\$23M
– Construction, Building (General Construction, etc.)	\$21M
– Construction, Specialty Trades	\$13M
– Goods & Equipment	\$20M
– General Services	\$19M
– Professional Services, Personal Services (Hotel, Beauty, Laundry, etc.)	\$5M
– Professional Services, Business Services	\$10M
– Professional Services, Health & Legal Services	\$10M
– Professional Services, Health Facilities Management	\$19M
– Manufacturing Services	\$10M
– Transportation & Hauling Services	\$13M
– Financial Institutions	\$300M

Disadvantaged Business Enterprise Definition

- Is a local business enterprise and
- Owned, operated, and controlled by economically disadvantaged individuals
 - An individual whose ability to compete in the free market system is impaired because of diminished opportunities to obtain capital and credit as compared to others in the same line of business where such impairment is related to the individual's status as socially disadvantaged.
 - An individual is socially disadvantaged if the individual has reason to believe that the individual has been subjected to prejudice or bias because of his or her identity as a member of a group without regards to his or her qualities as an individual.

Resident Owned Business Definition

- Is a local business enterprise
- Is owned by individual who is, or majority of individuals who are, subject to personal income tax in the District

Local Business with Principle Office Located in an Enterprise Zone Definition

- Is a local business enterprise
- Principal offices are located in designated enterprise zones in the District
 - Enterprise Zones are areas of the city that are targeted by law for increased economic development activity

Longtime Resident Business Definition

- Is a local business enterprise
- Continuously eligible for certification as a local business enterprise for 20 consecutive years
- **or** a small business enterprise continuously eligible for certification as a local business enterprise for 15 consecutive years

Checklists of Required Documents (1 of 5)

- **Sole Proprietorship**
- Affidavit
- Business, professional and/or trade licenses
- Certificate of occupancy or home occupancy permit
- Most recent Certificate of Good Standing or Notice of Tax Registration issued by Office of Tax and Revenue
- Company capability statement, including a brief description of products or services
- District or state and federal tax returns, last three years, and all schedules (signed)
- Dun & Bradstreet Number (DUNS)
- Current financial statement – Balance Sheet, Profit and Loss Statement, and Fixed Asset Inventory (no older than 90 days)
- Lease or deed for business site (signed)
- Most recent Form UC-30 (Employer's Quarterly Contribution and Wage Report) (if applicable)
- List of Current Employees (including name and home address for each employee)
- Proof of citizenship (e.g. birth certificate, passport or permanent resident card)
- Proof of residency (e.g. copy of driver's license or DMV picture ID **and** copy of current residential utility bill or voter registration card)
- Resumes of key personnel

Checklists of Required Documents (2 of 5)

- **Partnership**
- Affidavit
- Company capability statement, including a brief description of products or services
- Business, professional and/or trade licenses
- Most recent Certificate of Good Standing or Notice of Tax Registration issued by Office of Tax and Revenue
- Most recent Certificate of Good Standing issued by Department of Consumer and Regulatory Affairs
- Certificate of occupancy or home occupancy permit
- District or state and federal tax returns for each partner, or Business Partnership Tax Returns, last three years, and all schedules (signed)
- Dun & Bradstreet Number (DUNS)
- Current financial statement – Balance Sheet, Profit and Loss Statement, and Fixed Asset Inventory (no older than 90 days)
- Lease or deed for business site (signed)
- Partnership agreement, buy-out rights and profit sharing agreement
- Most recent Form UC-30 (Employer's Quarterly Contribution and Wage Report) (if applicable)
- List of Current Employees (including name and home address for each employee)
- Proof of citizenship (e.g. birth certificate, passport or permanent resident card—submit only one)
- Proof of residency (e.g. copy of driver's license or DMV picture ID **and** copy of current residential utility bill or voter registration card)
- Resume for each partner

Checklists of Required Documents (3 of 5)

- **Corporation**
- Affidavit
- Articles of incorporation
- Business, professional and/or trade license(s)
- By-laws of corporation and any amendments
- Certificate of incorporation
- Certificate of occupancy or home occupancy permit
- Company capability statement, including a brief description of products or services
- District or state and federal tax returns, last three years, and all schedules (signed)
- Copy of each stock certificate issued (front and back) and stock ledger
- Current financial statement – Balance Sheet, Profit and Loss Statement, and Fixed Asset Inventory (no older than 90 days)
- Dun & Bradstreet number (DUNS)
- Lease or deed for business site (signed)
- Minutes of first and most recent organizational meeting
- Most recent Certificate of Good Standing or Notice of Tax Registration issued by Office of Tax and Revenue
- Most recent Certificate of Good Standing issued by Department of Consumer and Regulatory Affairs
- Most recent Form UC-30 (Employer's Quarterly Contribution and Wage Report) (if applicable)
- List of Current Employees (including name and home address for each employee)
- Resumes of key personnel
- Proof of citizenship of principal owner(s) (e.g. birth certificate, copy of passport, or permanent resident card)
- Proof of residency of principal owner(s) (e.g. copy of driver's license or DMV picture ID **and** copy of current residential utility bill or voter registration card)

Checklists of Required Documents (4 of 5)

- **Limited Liability Corporation (LLC)**
- Affidavit
- Articles of organization
- Operating agreement
- Business, professional and/or trade license(s) (if applicable)
- Certificate of organization
- Certificate of occupancy or home occupancy permit
- Company capability statement, including a brief description of products or services
- District or state and federal tax returns, last three years, and all schedules (signed)
- Current financial statement – Balance Sheet, Profit and Loss Statement, and Fixed Asset Inventory (no older than 90 days)
- Dun & Bradstreet number (DUNS)
- Lease or deed for business site (signed)
- Minutes of first and most recent organizational meeting
- Most recent Certificate of Good Standing or Notice of Tax Registration issued by Office of Tax and Revenue
- Most recent Certificate of Good Standing issued by Department of Consumer and Regulatory Affairs
- Most recent Form UC-30 (Employer's Quarterly Contribution and Wage Report) (if applicable)
- List of Current Employees (including name and home address for each employee)
- Resumes of key personnel
- Proof of citizenship of principal owner(s) (e.g. birth certificate, copy of passport, or permanent resident card)
- Proof of residency of principal owner(s) (e.g. copy of driver's license or DMV picture ID **and** copy of current residential utility bill or voter registration card)

Checklists of Required Documents (5 of 5)

- **Disadvantaged Business Enterprise (DBE)**
- DBE Form
- DBE Narrative Letter (on letterhead, signed and dated)
- Submit personal District or state and federal tax returns for the last year (signed)
- Personal Financial Statement
- **Resident Owned Business (ROB)**
- Residential lease or deed
- Submit personal District or state and federal tax returns for the last year (signed)
- Proof of residency of principal owner(s) (e.g. copy of driver's license or DMV picture ID **and** copy of current residential utility bill or voter registration card)
- **Local Business with a Principal Offices Located within an Enterprise Zone (DZE)**
- Verification from the Enterprise Zone Finder Map (please verify at <http://dslbd.dc.gov>)
- **Longtime Resident Business (LRB)**
- Business which has been continuously eligible for certification as a local business enterprise for twenty (20) consecutive years, or a small business which has been continuously eligible for certification as a local business for fifteen (15) years
- Submit Twenty (20) or Fifteen (15) years of District tax returns as proof of continuous eligibility
- **All Businesses Less Than One Year Old**
- Business Plan
- Proof of capital injection (e.g. current bank statement)

Certification Policy

- Applicants for certification must attend Pre-certification Workshop at e-BIC Center
- Processing a COMPLETE application normally takes 45 business days
- Applications must be submitted online but accompanying documents must be delivered to DSLBD office (e.g., good standing certificates, tax returns, copies of lease or deed, articles of incorporation and bylaws, business or trade licenses, etc.)
- CBE certification is valid for two years
- Companies must re-apply for recertification 90 days prior to expiration date

DSLBD Contact Information

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